

June 22, 1999

**NATIONAL PROSTHETIC AND SENSORY AIDS SERVICE
STRATEGIC HEALTHCARE GROUP INVENTORY PACKAGE**

1. PURPOSE: This Veterans Health Administration (VHA) Directive mandates the implementation of the newly created Prosthetic and Sensory Aids Service (PSAS) Strategic Healthcare Group Inventory Package. The package establishes a valid prosthetic data inventory system that will provide accurate information on inventory items and dollar value at every facility and will identify “common use items” for cost-effective, large quantity purchases.

2. BACKGROUND

a. There has not been a national standardized system for reporting and maintaining PSAS inventory on a local, Veterans Integrated Services Network (VISN), or national basis. This situation has resulted in poor and inaccurate data management resulting in inefficiencies, poor budget management, loss of cost controls, and lack of tools for oversight and monitoring at the local, VISN, and national levels. It has made Department of Veterans Affairs (VA) medical centers, outpatient clinics (OPCs), and community-based OPCs (CBOPCs) vulnerable to charges of waste, fraud, and abuse by the Office of the Inspector General.

b. Accurate inventory records for prosthetic items are essential to monitor cost as well as to verify delivery of these appliances, analyze trends, and develop consistency across the system. Selected “common use items” will be considered for national or large quantity purchases for maximum economic benefit to all facility Prosthetic Services.

c. The current inventory systems used by Prosthetic Service are manual: VA Form 10-1210, Issue and Stock Control Record-Prosthetic Stock Items, various locally-created inventory methods, or the Generic Inventory Package (GIP). The manual systems are completely inadequate as a management tool.

d. The electronic GIP has not been a reliable tool for PSAS inventory management because it is labor intensive and has never been widely accepted by facilities. Additionally, there is no common link of inventories from facility to facility.

e. The PSAS software development workgroup has spent the past 2 years developing the PSAS Inventory Package. It has been successfully tested at the Atlanta, New York, and Tampa VA Medical Centers.

f. The Prosthetic Inventory Package will be an invaluable management tool at the facility, VISN, and national levels for efficient and effective management, data validation, controlling inventories, developing cost savings, and simplifying record control.

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g. The Prosthetic Inventory Package utilizes standard nomenclature in all recording activities. Prosthetic inventory items are commonly linked by utilization of the existing Health Care Financing Administration Common Procedure Coding System (HCPC) and codes created by PSAS for items not covered by the HCPC such as the Home Improvements Structural Alterations (HISA) activities and the Automobile Adaptive Equipment (AAE) program. This universal linkage allows for facility, VISN, and national data comparison.

h. Facilities with Orthotic Laboratories are provided additional functionality through a "lab stock issue" process as an option in the Prosthetic Inventory Package. This option greatly reduces the use of the standard VA Form 10-2529-3, Request and Receipt for Prosthetic Appliances or Services.

3. POLICY: It is VHA policy that the PSAS Strategic Healthcare Group Inventory Package be used, effective immediately, at all VA facilities.

4. ACTION: The implementation date for all VA medical centers, OPCs, and CBOPCs to have it loaded and on line was April 1, 1999.

a. The patch is RMPR*3*33. Routines and documentation are available at the Chief Information Officer (CIO) Field Offices' "Anonymous Software" directories. These files may be obtained using File Transfer Protocol (FTP) capability.

b. The options in this release are not connected to Integrated Funds Distribution, Control Point Activity, Accounting and Procurement (IFCAP). VA Form 10-2237, Request for Property or Services, must still be used when requesting items through IFCAP.

***NOTE:** Those facilities using GIP may continue to use GIP concurrently, however, use of the PSAS Strategic Healthcare Group Inventory Package is mandatory.*

5. REFERENCES: None.

6. FOLLOW UP RESPONSIBILITY: Chief Consultant, Prosthetic and Sensory Aids Service (PSAS) Strategic Healthcare Group (113), is responsible for the contents of this Directive.

7. RESCISSIONS: This VHA Directive will expire on June 30, 2004.

S/ Robyn Nishimi, Ph.D. for
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Under Secretary for Health

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